

State Street Global Dividend Spotlight Active Equity UCITS ETF - Website disclosure for an Article 8 fund



A. Summary

L'obiettivo di State Street Global Dividend Spotlight Active Equity UCITS ETF (il "**Fondo**") consiste nel generare una crescita del capitale nel lungo termine attraverso l'investimento in titoli azionari globali.

Il Fondo promuove caratteristiche ambientali o sociali e, pur non avendo come obiettivo un investimento sostenibile, cercherà di collocare almeno il 25% del suo portafoglio in investimenti sostenibili ai sensi dell'articolo 2(17) del SFDR, avvalendosi della metodologia di valutazione proprietaria del Gestore degli investimenti.

Il Fondo promuove caratteristiche ambientali legate alla riduzione dell'impronta ambientale e degli effetti sociali negativi escludendo gli investimenti in società coinvolte in carbone termico, esplorazione di petrolio e gas dell'Artico, estrazione di sabbie bituminose e gravi controversie ESG, oltre che nelle società che violano i principi del Global Compact delle Nazioni Unite ("**UNGC**") (i "**Principi UNGC**") relativi all'ambiente (principi da 7 a 9).

Il Fondo promuove le caratteristiche sociali concernenti quanto segue: (a) riduzione della disponibilità di armi escludendo l'investimento in società associate ad armi controverse e armi da fuoco civili, (b) riduzione degli effetti negativi sulla salute escludendo l'investimento in società associate al tabacco, (c) promozione dei diritti umani, degli standard lavorativi e della lotta alla corruzione escludendo l'investimento in società che violano i Principi UNGC correlati ai diritti umani (Principi 1 e 2), al lavoro (principi da 3 a 6) e alla lotta alla corruzione (principio 10), nonché le società associate a gravi controversie ESG.

Il Fondo promuove altresì le seguenti caratteristiche ambientali e sociali legate alla riduzione delle emissioni di carbonio cercando di investire in modo tale che il portafoglio del Fondo presenti complessivamente emissioni di carbonio inferiori rispetto all'Indice, misurate utilizzando l'Intensità di carbonio media ponderata ("**WACI**").

Il Gestore degli investimenti adotta una metodologia ESG vincolante che punta a costruire un portafoglio in cui almeno il 90% del patrimonio del Fondo sia investito in titoli allineati alle caratteristiche ambientali e sociali promosse dal Fondo. Si prevede che, nell'ambito di tale quota del portafoglio, almeno il 25% delle attività del Fondo sia investito in titoli che sono investimenti sostenibili con obiettivi ambientali e/o sociali. La quota residua (<10%) del portafoglio, composta da liquidità e strumenti liquidi equivalenti, inclusi gli strumenti finanziari derivati impiegati a scopo di gestione efficiente del portafoglio o di copertura, detenuti a discrezione del Gestore degli investimenti, non sarà allineata alle caratteristiche ambientali e sociali promosse. Nella misura in cui il Fondo possa ricorrere a strumenti finanziari derivati, questi non saranno utilizzati per soddisfare le caratteristiche ambientali o sociali promosse dal Fondo.

Il Fondo non si impegna a effettuare investimenti sostenibili ai sensi del Regolamento sulla tassonomia.

Il rispetto delle caratteristiche ambientali è misurato in base al conseguimento di un'esposizione superiore alle società da parte del portafoglio del Fondo, in misura tale che il portafoglio complessivo dello stesso presenti emissioni di carbonio inferiori (rispetto all'Indice, misurate utilizzando la WACI). Il rispetto delle caratteristiche ambientali e sociali promosse dal Fondo viene ulteriormente misurato tramite la percentuale del portafoglio investita in titoli rientranti nei filtri di esclusione e basati su norme.

Al fine di rispettare le caratteristiche ambientali e sociali promosse dal Fondo, il Gestore degli investimenti attua un processo proprietario di ricerca bottom-up e incentrato sui fondamentali finalizzato a costruire un portafoglio concentrato composto da 30-40 titoli, valutando al contempo le emissioni di carbonio di un'impresa beneficiaria degli investimenti. Inoltre, il Gestore degli investimenti applica un filtro ESG di esclusione e basato su norme anche prima della costruzione del portafoglio nonché su base continuativa. Il Fondo escluderà i titoli di emittenti che non rispettano i Principi UNGC relativi alla protezione dell'ambiente, ai diritti umani, agli standard del lavoro e alla lotta alla corruzione o che sono associati a gravi controversie ESG, armi controverse, armi da fuoco civili, tabacco, carbone termico, esplorazione di petrolio e gas dell'Artico ed estrazione di sabbie bituminose.

Il Fondo utilizza le seguenti fonti di dati:

1. MSCI per metrica WACI
2. MSCI e Sustainalytics per i filtri ESG

State Street Investment Management esegue un processo di due diligence continua sui fornitori di dati di sostenibilità che determina rapporti periodici sulla qualità dei dati e può relazionarsi con i fornitori di dati pertinenti per quanto concerne eventuali problematiche relative ai dati identificate.

I dati di sostenibilità possono essere basati su determinate ipotesi, previsioni, proiezioni, visioni e opinioni, che a loro volta possono basarsi su tendenze di mercato correnti o eventi futuri previsti. Considerata la natura emergente e innovativa dei modelli di dati, delle metodologie e delle ipotesi, nonché l'incertezza insita nelle previsioni di eventi futuri, non si può garantire che i dati di sostenibilità siano sempre accurati o corretti o che raggiungano le finalità o soddisfino i requisiti di un cliente o di un investitore specifico. Alcuni dati potrebbero inoltre non essere ottenuti a causa della mancanza di disponibilità di fonti di dati.

Sebbene le politiche di impegno non siano direttamente integrate nella strategia d'investimento del Fondo, le attività di impegno e di voto su delega relativamente ai titoli detenuti dal Fondo sono condotte nel rispetto della Politica di impegno e di voto su delega del Sustainability Stewardship Service (la "**Politica di sostenibilità**"). La Politica di sostenibilità si concentra sui rischi e sulle opportunità che potrebbero influire sulla creazione di valore a lungo termine, con particolare riguardo ad aspetti prioritari della sostenibilità come cambiamento climatico, natura, diritti umani e diversità.

Per maggiori informazioni e dettagli si rimanda alle rispettive sezioni riportate di seguito, al Prospetto e al Supplemento pertinente.



B. No sustainable investment objective

The Fund promotes environmental or social characteristics and while it does not have as its objective a sustainable investment, it will seek to invest a minimum of 25% of its portfolio in sustainable investments under article 2(17) of SFDR using the Investment Manager's proprietary assessment methodology.

Sustainable investments that the financial product partially intends to make should not cause significant harm to any environmental or social sustainable investment objective. In this respect, the Investment Manager considers the mandatory principal adverse indicators ("**PAIs**") on sustainability factors by combining the incorporation of the SASB materiality framework in the Investment Manager's Sustainability Rating and the application of the negative and norms-based screens to the sustainable investments included in the Fund's portfolio. By investing in securities classified as "Leaders or Outperformers" in accordance with the Investment Manager's Sustainability Rating and applying the relevant negative and norms-based screens, the Investment Manager deems the Fund's sustainable investments not to cause significant harm to any environmental or social sustainable investment objective.

The Fund pursues a reduction of negative externalities caused by the underlying investments and in that context considers PAIs on sustainability factors as part of the consideration of sustainable investments in selecting the securities for the Fund and by applying the negative and norms-based ESG screen prior to the construction of the portfolio. Specifically, the Fund considers:

- Exposure to companies active in the fossil fuel sector
- Violations of UNGC Principles
- Exposure to controversial weapons.

The Fund excludes companies that the Investment Manager has deemed to violate UNGC Principles as part of the negative screening utilised by the Fund. The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are considered as part of the UNGC Principles assessment.



C. Environmental or social characteristics of the financial product

The Fund promotes environmental characteristics related to reduction of environmental footprint and adverse social impacts by excluding investments in companies that are involved in thermal coal, Arctic oil & gas exploration, oil sands extraction, severe ESG controversies, as well as the companies which violate UNGC Principles relating to the environment (principles 7 to 9).

The Fund promotes social characteristics related to: (a) reduction of the availability of weapons by excluding investment in companies associated with controversial weapons and civilian firearms, (b) reduction of adverse health impacts by excluding investment in companies associated with tobacco, (c) support for human rights, labour standards and anti-corruption by excluding investment in companies which violate UNGC Principles relating to human rights (Principles 1 and 2), labour

(principles 3 to 6) and anti-corruption (principle 10) as well as companies associated with severe ESG controversies.

The UNGC Principles is the world largest corporate sustainability initiative aimed at companies to align their strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.

Business involvement: The definition of “involved” in relation to each activity, as set out above, is determined using the Investment Manager’s proprietary methodology. Each activity may be based on generating or deriving a revenue from the activity that exceeds a percentage of revenue or a defined total revenue threshold, or any exposure to the activity regardless of the amount of revenue received. The activity may relate to production or distribution or both in accordance with the Investment Manager’s proprietary methodology. For certain industries the Investment Manager applies a maximum percentage thresholds typically based on revenue from production and/or distribution (which can vary depending on whether the issuer is a producer, distributor or service provider). Please refer to section G for more details.

The specific list of applicable exclusions may evolve and may be amended from time to time by the Investment Manager, subject to complying with the Central Bank’s requirements.

The Fund also promotes the following environmental and social characteristics related to the reduction of carbon emissions by seeking to invest in companies such that the Fund’s portfolio overall exhibits lower carbon emissions than the Index as measured using WACI.

The Fund allocates minimum 25% of the Fund’s portfolio to sustainable investments. In order for the security to qualify as a sustainable investment for the Fund, it must be classified as a “Leader” or “Outperformer” as determined by the Investment Manager. A “Leader” or “Outperformer” is defined as a security within the top 30th percentile of the Investment Manager’s sustainability coverage universe, as determined by the Investment Manager using the Sustainability Rating generated by its proprietary process.

For further details of the exclusions applied by the Investment Manager at any time please refer to Section G below.



D. Investment Strategy

The Investment Manager, on behalf of the Fund, will invest actively using a proprietary fundamentally driven and bottom up research process to identify companies with a meaningful dislocation between the assessed intrinsic value of the company and the price of its equity security. This opportunity set is used to construct a balanced global portfolio of 30-40 securities which the Investment Manager believes has the potential to provide excess returns. In selecting investments, the Investment Manager will not have any specific geographic or sector focus.

The Investment Manager will use an active investment strategy which uses a fundamentally driven and bottom-up research process to identify companies with a dislocation between the intrinsic value of the company and the price of its equity security. This will involve in-depth company and industry

research by experienced sector analysts within the Investment Manager which will be applied to evaluate the future cashflow generation of a business and hence determine its intrinsic value. Areas that are typically researched include, inter alia, the overall industry structure, competitive dynamics and growth levels, the company's competitive position, moat (a company's ability to maintain a competitive edge over its competitors) and growth prospects, management's strategy and experience, governance and the financial resilience of the business.

In implementing this strategy, the Investment Manager applies the negative and norms-based ESG screen prior to the construction of the portfolio of the Fund and on an ongoing basis. The Fund will screen out securities of issuers that fail to comply with UNGC Principles relating to environmental protection, human rights, labour standards and anti-corruption or are associated with severe ESG controversies, controversial weapons, civilian firearms, tobacco, thermal coal, Arctic oil & gas exploration, and oil sands extraction. Finally, the carbon emissions of the portfolio will be maintained below that of the Benchmark, as measured by WACI.

The Fund may use additional ESG screens from time to time in order to exclude securities of issuers based on their involvement with an activity that is deemed non-compliant with one or more of such ESG criteria referred to.

The assessment of good governance practices is considered by the Investment Manager as part of the assessment of potential investments when implementing the investment objective and policy of the Fund. The Investment Manager deploys a proprietary governance assessment framework that includes a governance scorecard and a qualitative assessment. The framework considers factors such as board independence, diversity and experience as well as the configuration of executive compensation and accounting and tax compliance. The assessment of good governance practices is further implemented through the negative screening utilised by the Fund. Companies deemed by the Investment Manager not to violate UNGC principles are considered to exhibit good governance.



E. Proportion of investments

The Investment Manager employs a binding ESG methodology which aims to build a portfolio where at least 90% of the Fund's assets are invested in securities which are aligned with environmental and social characteristics promoted by the Fund. It is intended that, within such portion of the portfolio, at least 25% of the Fund's assets are invested in securities which are sustainable investments with environmental and / or social objectives. The remaining portion (<10%) of the portfolio, consisting of cash as well as cash equivalents, including financial derivative instruments employed for efficient portfolio management or hedging purposes, in place held at the Investment Manager's discretion, will not be aligned with the promoted environmental and social characteristics.

The Fund does not explicitly commit to a separate allocation for socially sustainable investments distinct from environmentally sustainable investments. This approach reflects the Fund's broader ESG strategy, which integrates both environmental and social considerations within its sustainable investment criteria.

To the extent that the Fund may use, for efficient portfolio management purposes only, financial derivative instruments, these will not be used to attain the environmental or social characteristics promoted by the Fund.

The Fund does not commit to making sustainable investments within the meaning of the Taxonomy Regulation.



F. Monitoring of environmental or social characteristics

The attainment of the environmental characteristics is measured through achieving a higher exposure of the Fund's portfolio to companies such that the Fund's overall portfolio exhibits lower carbon emissions (relative to the Index) as measured using WACI.

A further attainment of the environmental characteristics promoted by the Fund is measured through:

- % of the portfolio invested in securities violating UNGC Principles in regards to the environment and which are active in thermal coal, Arctic oil & gas exploration, and oil sands extraction. The level of exposure to such securities is anticipated to be 0% in respect of the proportion of securities which meet the criteria for business involvement as set out above.

The attainment of the social characteristics promoted by the Fund is measured through:

- % of the portfolio invested in securities that are violating UNGC Principles and companies associated with controversial weapons, civilian firearms, tobacco and severe ESG controversies. The level of exposure to such securities is anticipated to be 0% in respect of the proportion of securities which meet the criteria for business involvement as set out above.

The environmental and social characteristics are embedded in the investment policy of the Fund and the associated sustainability indicators are monitored by the Investment Manager through its investment oversight program including pre and post-trade compliance monitoring for ESG screens and regular reviews by a sub-committee of the Investment Manager.



G. Methodologies

The investment objective of the Fund is to seek to outperform the performance of the Index over the long term.

ESG Screens

The ESG screens applied to the Fund include the following:

1. Controversial Weapons
2. UNGC Violations
3. Thermal Coal
4. Arctic Drilling
5. Oil and Tar Sands
6. Severe ESG Controversies
7. Tobacco
8. Civilian Firearms

Further details on the methodologies used for the ESG screens is as follows:

1. Controversial Weapons: Companies with focused involvement in the following controversial weapons are excluded.

Level of involvement	
Land mines Manufacturer = True	Landmines are explosives that are designed to detonate at the presence, proximity or contact of a person or vehicle. After being planted, antipersonnel mines can remain undetonated for years, posing a serious risk to civilians after a conflict has ended.
Biological/Chemical Weapons Maximum Revenue Percentage $\geq 10\%$	Biological and chemical weapons are munitions that utilize pathogens such as viruses, bacteria, and disease-causing biological agents, toxins, or chemical substances that have toxic properties, to inflict death or harm. Either type can be dispersed in gas, liquid, or solid forms. As these munitions are based on organisms or chemicals, civilians are often unintended victims since the impact zone is constrained only by how far the particles can disperse. For biological weapons, person-to-person transmission of the illness can further exacerbate the civilian impact.
Cluster Munitions Manufacturer = True	Cluster weapons are air-dropped explosives: bombs, missiles, rockets, or shells that carry sub munitions and disperse them over an area. The sub munitions have a wide impact zone, and often remain undetonated on the ground. These munitions can remain dangerous for years after the conflict has ended, posing a serious risk to civilians.
Depleted Uranium Manufacturer = True	Depleted Uranium (DU) munitions are projectiles (bullets, rockets, etc.) that have been equipped with the radioactive chemical substance DU, a byproduct of the uranium enrichment process used to make nuclear weapons and nuclear-reactor fuel. Because of its high density, DU is often used as a penetrator in ammunition to help pierce armor. However, areas where depleted uranium munitions have been used are exposed to its radioactive qualities, causing people living in the area to be more prone to cancers, congenital birth defects, and other illnesses.
Nuclear Weapons Manufacturer Maximum Revenue Percentage $\geq 10\%$	Nuclear Weapons: A nuclear weapon is a device that is capable of releasing nuclear energy in an uncontrolled manner, due to fusion and/or fission reactions, making it a highly destructive explosive. The indiscriminate and disproportionate impact on civilians makes nuclear weapons a controversial weapon.
Incendiary Weapons (White Phosphorous) = True	White Phosphorus (WP) is an allotrope of the chemical element phosphorus, which burns fiercely when exposed to oxygen. A WP munition is any projectile (eg flares, grenades, or mortars) that is equipped with WP, in order to act as a smoke-producing agent, or as tracer, illumination, or incendiary munition.

2. UNGC Principles: Companies directly complicit in violations of core international norms and conventions, as described in the UNGC Principles are excluded.

Level of involvement: Global compact principles breached = Noncompliant

The UNGC is the world's largest corporate sustainability initiative with 13,000 participants from 170 countries. It consists of a set of internationally recognized principles that encompass important issues, such as human rights, labour, the environment, and anti-corruption practices. The 10 principles are as follows:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

- 3. Thermal Coal:** Companies involved in the extraction or power generation of thermal coal are excluded.

Level of Involvement	Definition
Thermal Coal Extraction $\geq 10\%$	The company derives revenue from thermal coal extraction
Thermal Coal Power Generation $\geq 10\%$	The company derives revenue from generating electricity from thermal coal.

- 4. Arctic Drilling:** Companies involved in oil and gas exploration in the Arctic regions are excluded.

Level of Involvement	Definition
Arctic Oil and Gas Exploration $\geq 10\%$	The company derives revenue from oil and gas exploration and extraction in the Arctic.

- 5. Oil and Tar Sands:** Companies for whom a meaningful portion of their average daily production comes from oil sands are excluded.

Level of Involvement	Definition
Oil Sands Extraction >=10%	The company derives revenue from the extraction of oil sands.

- 6. Severe ESG Controversies:** Companies involved in incidents/events that may pose business or reputational risk due to the potential impact on stakeholders, the environment, or the company's operations are excluded.

Level of Involvement	Definition
Category 5 — Severe Controversies	The event has a severe impact on the environment and society, posing serious business risks to the company. This category represents exceptionally egregious corporate behavior, high frequency of recurrence of incidents, very poor management of sustainability-related risks, and a demonstrated lack of willingness by the company to address such risks.

- 7. Civilian Firearms:** Companies involved in the manufacturing and/or retailing of small arms and associated ammunition/components for civilian use are excluded.

Level of Involvement	Definition
Small Arms, Civilian Customers, Assault Weapons >=10%	The company derives revenue from manufacturing and selling small arms to civilian customers.
Manufacture of key components, >=10%	The company derives revenue from manufacturing and selling key components of small arms.
Small Arms, Retail and Distribution of Assault Weapons >=10%	The company derives revenue from retailing and/or distribution of small arms.
Firearms Production Maximum Revenue Percentage >=10%	Recent-year percent of revenue, or maximum estimated percent, a company has derived from manufacturing firearms and small arms ammunition for civilian markets.
Firearms Retailer Maximum Revenue Percentage >=10%	Recent-year percent of revenue, or maximum estimated percent, a company has derived from the distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use.

- 8. Tobacco:** Companies that are involved in the production and manufacturing of tobacco-related products are excluded.

Level of Involvement	Definition
Tobacco Production, Level of Involvement >=10%	The company derives revenue from the production of tobacco and tobacco-related products.
Tobacco Production Maximum Revenue Percentage >= 10%	The recent-year percentage of revenue, or maximum estimated percentage, a company has derived from the manufacture of tobacco products (such as cigars, blunts, cigarettes, e-cigarettes, inhalers, beedis, kreteks, smokeless tobacco, snuff, snus and dissolvable and chewing tobacco). This also includes companies that grow or process raw tobacco leaves.

The exclusion list generated by the ESG screening process is updated once per quarter.

The ESG screen methodology and screening criteria applied to the Fund are subject to State Street Investment Management's governance approval process.



H. Data sources and processing

The Fund utilises the following data sources

- MSCI for WACI metric

The Fund utilises the following data sources to derive the ESG screens:

Controversial Weapons State Street Investment Management receives universe-level data from two ESG screening data providers: Sustainalytics and MSCI. A screen is then applied to the data to generate lists from each data provider of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the firm's governance process. Companies are excluded if they appear on either or both of the lists from the two data providers.

UNGC Violations Data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the firm's governance process.

Thermal Coal Data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the firm's governance process.

Arctic Drilling Data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the firm's governance process.

Oil and Tar Sands Data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the firm's governance process.

Severe ESG Controversies Data is sourced from Sustainalytics. A screen is then applied to the data to generate a list of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the firm's governance process.

Civilian Firearms State Street Investment Management receives universe-level data from two ESG screening data providers: Sustainalytics and MSCI. A screen is then applied to the data to generate lists from each data provider of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the

firm's governance process. Companies are excluded if they appear on either or both of the lists from the two data providers.

Tobacco State Street Investment Management receives universe-level data from two ESG screening data providers: Sustainalytics and MSCI. A screen is then applied to the data to generate lists from each data provider of excluded securities for this category. State Street Investment Management determines the parameters that define the screen which are then approved by the firm's governance process. Companies are excluded if they appear on either or both of the lists from the two data providers.

State Street Investment Management receives sustainability data from a wide variety of data providers covering various themes including, but not limited to, climate, controversies and governance and leverages multisource data architecture for the analysis and dissemination of sustainability data.

State Street Investment Management implements an ongoing due diligence process in relation to sustainability data providers resulting in regular data quality reports. Such process tracks correlation and coverage dimensions of key sustainability and climate metrics and scores between a selection of data providers over time for the covered universe. State Street Investment Management may engage with the relevant data providers in relation to any data issues identified.



I. Limitations to methodologies and data

Sustainable investing data may be based on certain assumptions, forecasts, projections, views and opinions which may be based on current market trends or anticipated future events. To assess company involvement in different activities and to estimate revenue shares as accurately as possible, data providers strive to obtain information directly from companies and issuers. Sources of data include annual reports, regulatory filings, sustainability reports, press releases, investor presentations, company websites, and other company disclosures. Given the developing and innovative nature of data models, methodologies and assumptions and the inherent uncertainty in predicting forward-looking events, it cannot be guaranteed that the sustainable investing data is always accurate or correct or that the sustainable investing data will satisfy the aims or requirements of any specific client or investor. Furthermore, there may be data that cannot be sourced due to the lack of availability of data sources. For certain markets and types of issuers, companies or securities there may be significant limitations in the amount of sustainable investing data that is available or no sustainable investing data may be available such that no screening is performed. In certain situations where screening data is not available for an issuer, an investee company or a security, the screen provider may, as a proxy, use data relating to a different entity to the issuer or the investee company, which presents a risk this data may not accurately reflect the sustainability or other characteristics of the issuer or the investee company. In certain situations, even where screening data is available it may not be used as part of the screen provider's screening process. It is not expected that such limitations would affect how the environmental and social characteristics promoted by the Fund are met.



J. Due diligence

The Investment Manager, on behalf of the Fund, will invest actively using a proprietary active investment strategy which applies a fundamentally driven and bottom-up research process to identify shares considered to be trading at a discount to the assessed intrinsic value of the company. This opportunity set is used to construct a balanced global portfolio of 30-40 securities which the Investment Manager believes has the potential to provide excess returns. In selecting investments, the Investment Manager will not have any specific geographic or sector focus. The Investment Manager will use an active investment strategy which uses a fundamentally driven and bottom-up research process to identify companies with a dislocation between the intrinsic value of the company and the price of its equity security. This will involve in-depth company and industry research by experienced sector analysts within the Investment Manager which will be applied to evaluate the future cashflow generation of a business and hence determine its intrinsic value. Areas that are typically researched include, inter alia, the overall industry structure, competitive dynamics and growth levels, the company's competitive position, moat (a company's ability to maintain a competitive edge over its competitors) and growth prospects, management's strategy and experience, governance and the financial resilience of the business. The Investment Manager seeks to exploit valuation anomalies in the belief that in the long-term share prices should ultimately reflect a company's intrinsic value and therefore provide excess returns. This research process integrates a review of companies' ESG ratings and other ESG data metrics and as such the Investment Manager integrates Sustainability Risks into the investment process of the Fund

As the Fund is actively managed and seeks to outperform the Index, its holdings will differ from the Index. Non-index securities may be held in the portfolios. The Fund's weighting to securities will be usually set without taking into account the weightings of securities in the Index. The Fund's return will typically differ from and may under-perform, the return of the Index.



K. Engagement policies

Is engagement part of the environmental or social investment strategy?

- ☐ Yes
☒ No

While engagement policies are not directly embedded into the Fund's investment strategy, proxy voting and engagement activities in respect of securities held by the Fund are conducted pursuant to the terms of the Sustainability Stewardship Service Proxy Voting and Engagement Policy (the "**Sustainability Policy**"). The Sustainability Policy focuses on risks and opportunities that may impact long-term value creation, with a focus on sustainability priorities such as climate change, nature, human rights and diversity.



L. Reference benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the Fund?

- ☐ Yes
☒ No

The MSCI World High Dividend Yield Index is a trademark of MSCI Inc.